

Mental Health Services Act

DESCRIPTION OF MAJOR SERVICES

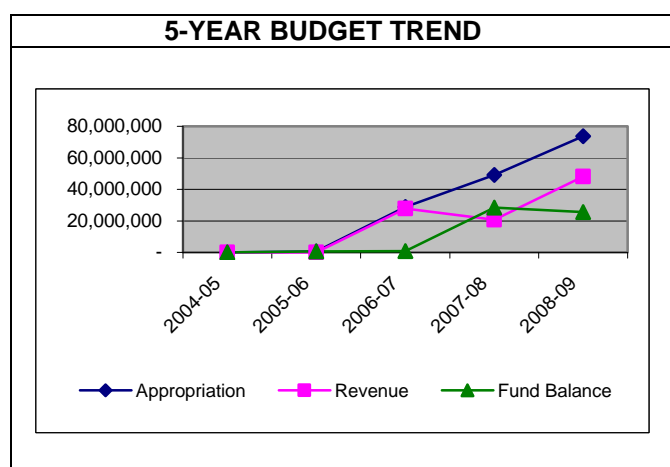
On November 2, 2004, voters passed Proposition 63, which established a state personal income tax surcharge of one percent on the portion of taxpayers' annual taxable income that exceeds \$1 million. The proposition was enacted into law as the Mental Health Services Act (MHSA) effective January 1, 2005. The overall purpose and intent is "to reduce the long-term adverse impact on individuals, families, and state and local budgets resulting from untreated serious mental illness to insure that all funds are expended in the most cost effective manner and to ensure accountability to taxpayers and to the public".

This special revenue fund was established in 2005-06. In 2005-06, the state approved the department's three-year plan. One-time and ongoing state funds received from the state are deposited into the fund, and are transferred to the Behavioral Health general fund budget unit, as needed to cover contract providers' costs, staffing and other costs. In 2008-09, Behavioral Health anticipates state funds of \$47.3 million. The funds will be deposited into the special revenue fund and will be transferred to the Behavioral Health budget unit, as needed, to fund new and expanded programs outlined in the three-year plan.

This fund does not directly spend funds or provide services. It is strictly a financing budget with actual expenditures occurring within the operating budget unit of Behavioral Health.

There is no staffing associated with this budget unit.

BUDGET HISTORY

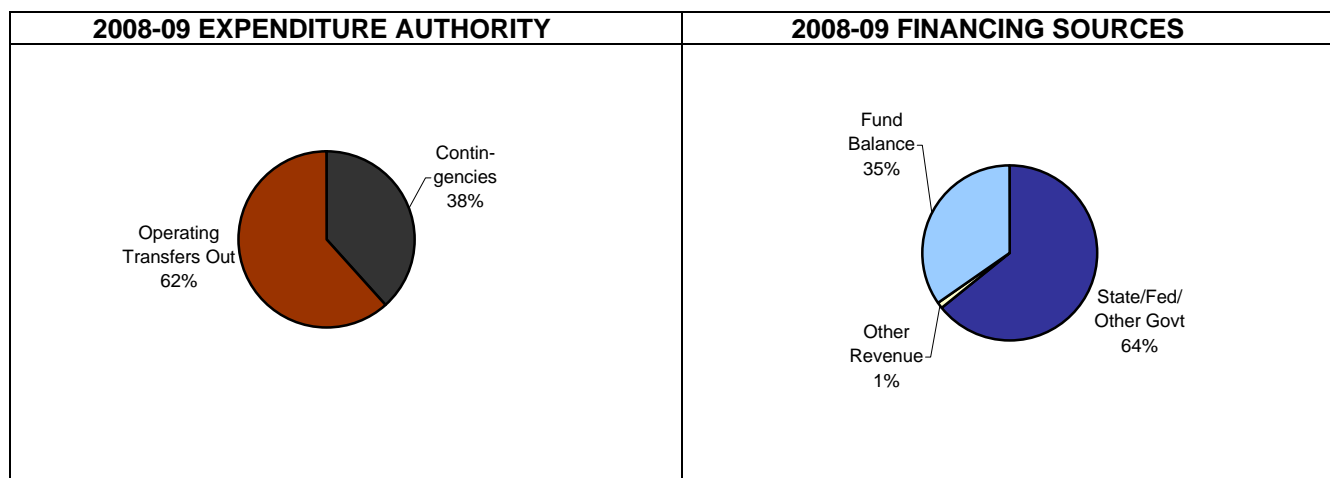


PERFORMANCE HISTORY

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Modified Budget	2007-08 Estimate
Appropriation	20,767	938,627	5,278,776	49,141,817	28,527,309
Departmental Revenue	557,971	1,287,155	32,910,045	20,624,815	25,652,408
Fund Balance				28,517,002	

In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, estimated appropriation in this budget unit are less than modified budget. The amount not expended is carried over to the subsequent year's budget.

ANALYSIS OF PROPOSED BUDGET



GROUP: Health Care
DEPARTMENT: Behavioral Health
FUND: MHSA Prop 63

BUDGET UNIT: RCT MLH
FUNCTION: Health and Sanitation
ACTIVITY: Hospital Care

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Estimate	2007-08 Final Budget	2008-09 Proposed Budget	Change From 2007-08 Final Budget
Appropriation							
Contingencies	-	-	-	-	10,836,012	28,214,725	17,378,713
Total Appropriation	-	-	-	-	10,836,012	28,214,725	17,378,713
Operating Transfers Out	20,767	938,627	5,278,776	28,527,309	38,305,805	45,536,858	7,231,053
Total Requirements	20,767	938,627	5,278,776	28,527,309	49,141,817	73,751,583	24,609,766
Departmental Revenue							
Use Of Money and Prop	225	19,844	620,745	737,602	175,534	774,482	598,948
State, Fed or Gov't Aid	-	1,267,311	32,289,300	24,914,806	20,449,281	47,335,000	26,885,719
Other Revenue	557,746	-	-	-	-	-	-
Total Revenue	557,971	1,287,155	32,910,045	25,652,408	20,624,815	48,109,482	27,484,667
Fund Balance					28,517,002	25,642,101	(2,874,901)

Contingencies of \$28,214,725 are increasing based on lower than anticipated expenditures within the Behavioral Health general fund budget unit for the new component of MHSA, Capital and Technologies, for which no costs have been designated.

Operating transfers out of \$45,536,858 includes transfers to the Behavioral Health general fund budget unit to cover contract providers cost, staffing and other costs associated with existing MHSA activities. The increase of \$7,231,053 represents full year cost of the MHSA program and includes new components added to the MHSA, including Prevention and Early Intervention, Work Force Education and Training, and a new program incorporated into Community Service and Support.

Departmental revenue of \$48,109,482 includes revenue received from the state for the MHSA program and interest revenue. The increase of \$27,484,667 is due to the increase of funds in the Community Service and Support program, the addition of the Capital and Technology component, receipt of growth monies, and increased interest revenue.

